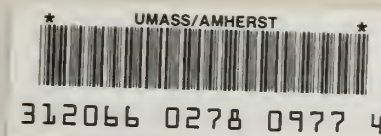


MASS. R3.2: G 94/2



DEPARTMENT OF REVENUE - DIVISION OF LOCAL SERVICES

**GUIDELINES**  
**for**  
**CLASSIFICATION and TAXATION of PROPERTY**  
**ACCORDING to USE**  
**PROPERTY TYPE CLASSIFICATION CODES**

**See new Codes  
125 & 140**

Included are:

INSTRUCTIONS for PROPERTY SALES REPORTS  
NON-ARMS LENGTH CODES  
COMPUTER SPREADSHEET SPECIFICATIONS

Bureau of Local Assessment

April 1991

913/114

Retain this copy. It will be reissued only when changes occur.



## INTRODUCTION

These Guidelines are intended to assist the Board of Assessors in determining the proper classification of property according to its use.

The coding structure has three digit level of detail. The first digit indicates a major classification. The second digit is a major division and the third digit is a subdivision, both within the major classification of property.

If the guidelines do not include a three digit code for a specific property use, the assessor should use the code that most appropriately identifies the property's use. For example, the assessors would use codes 321-326 to classify a retail condominium based on the use of the property.

Since the guidelines for coding multiple-use property are unique, several specific examples of how to identify such property with these codes are listed.

<u>CODE</u>	<u>CLASSIFICATION</u>
0	Multiple-Use
1	Residential
2	Open Space
3	Commercial
4	Industrial
5	Personal Property
6	Forest Property - Chapter 61
7	Agricultural/Horticultural - Chapter 61A
8	Recreational Property - Chapter 61B
9	Exempt Property

MULTIPLE-USE PROPERTY

CODE 0

Real property used or held for use for more than one purpose shall be classified as having multiple-use.

Parcels with multiple detached or attached buildings are considered multiple-use property for classification purposes. Any necessary related land on a multiple-use property must be allocated among each class of property within the building.

The first digit of multiple-use property is always a zero (0). The second and third digits are the major classification of the property represented. The digits following zero (0) are listed in the order of major importance.

The following are examples of multiple-use properties:

Example 1:

013

Multiple-Use, primarily Residential

A building with a retail store on the first floor and apartment on the second and third floors. A major portion of the related land is reserved for tenant parking.

Example 2:

031

Multiple-Use, primarily Commercial

A building with retail use on the first floor, office space on the second and third floors and apartments on the fourth floor. A major portion of related land is allocated for commercial use.

Example 3:

0134

Multiple-Use, primarily Residential, with Commercial and some Industrial use.

A four-story building with commercial and industrial use on the first and second floors and apartments on the third and fourth floors. The related land is evenly divided among three major uses of the building.

Example 4:

021

Multiple-Use, primarily Open-Space

A single-family house with substantial acreage designated open-space by the Assessor.

RESIDENTIAL

CODE 1

All real property used or held for human habitation containing one or more dwelling units including rooming houses with facilities assigned and used for living, sleeping, cooking and eating on a non-transient basis. Such property includes accessory land, buildings or improvements incidental to such habitation and use exclusively by the residents of the property or their guests. Such property shall include: (1) land that is situated in a residential zone and has been subdivided into residential lots; and (2) land used for the purpose of a mobile home park, as defined in Section thirty-two F of Chapter one hundred and forty. Such property shall not include a hotel or motel. Such property may be exempt from taxation under other provisions of the law.

(Incidental accessory land, buildings or improvements would include: garages, sheds inground swimming pools, tennis courts. Not "incidental" and thereby classified and coded differently would be a variety store, machine shop, etc. on a residential parcel).

10

Residences

- 101 Single Family
- 102 Condominium
- 103 Mobile Home - includes land used for the purpose of a mobile home park.
- 104 Two-Family
- 105 Three-Family
- 106 Accessory Land with Improvement (garage, etc.)
- 107 (Intentionally left blank)



- 108 (Intentionally left blank)
- 109 Multiple houses on one parcel (single and three-family on one parcel)

11 Apartments

- 111 Four to Eight Units
- 112 More than Eight Units

12 Non-transient Group Quarters

- 121 Rooming and Boarding Houses
- 122 Fraternity and Sorority Houses
- 123 Residence Halls or Dormitories
- 124 Rectories, Convents, Monasteries
- 125 Other Congregate Housing which includes non-transient shared living arrangements

13 Vacant Land In a Residential Zone or Accessory to Residential Parcel

- 130 Developable Land
- 131 Potentially Developable Land
- 132 Undevelopable Land

14 Other

- 140 Child Care Facility

OPEN SPACE

CODE 2

Land which is not otherwise classified and which is not taxable under the provisions of Chapter 61, 61A or 61B or taxable under a permanent conservation restriction, and which land is not held for the production of income but is maintained in an open or natural condition and which contributes significantly to benefit and enjoyment of the public.

- A. Forest, Agricultural/Horticultural and Recreational land valued according to Chapters 61, 61A, 61B are not specifically included in any of the four major classifications.

- B. Land placed under conservation restriction according to Chapter 184, Section 31, is to be classified according to its use as residential, commercial or industrial property.

20 Open Land in a Residential Area

- 201 Residential Open Land
- 202 Underwater land or marshes not under public ownership located in residential area.
- Typically, privately owned ponds, lakes, salt marshes or other wetlands of non-commercial use.

21 Open Land in Rural Area

- 210 Non-Productive Agricultural Land
- That part of an operating farm not classified as Chapter 61A Agricultural/Horticultural or Chapter 61 Forest Land.
- 211 Non-Productive Vacant Land.

22 Open Land in a Commercial Area

- 220 Commercial Vacant Land
- Acreage without site improvements and not in a commercial use.
- 221 Underwater land or marshes not under public ownership located in commercially zoned area.

23 Open Land in an Industrial Area

- 230 Industrial Vacant Land
- Acreage without site improvements and not in commercial or industrial use.
- 231 Underwater land or marshes not under public ownership located in industrial area.

COMMERCIAL

CODE 3

All real property used and held for use for business purposes and not specifically included in another class, including but not limited to any commercial, business, retail, trade, service, recreational, agricultural, artistic, sporting, fraternal, governmental, educational, medical or religious enterprise, for non-profit purposes. Such property may be expressly exempt under other provisions of the law.

30

Transient Group Quarters

300 Hotels

301 Motels

302 Inns, Resorts or Tourist Homes

303 (Intentionally left blank)

304 Nursing Homes

Includes property designed for minimal care with or without medical facilities.

305 Private Hospitals

306 Care and Treatment Facilities

Designed and used on a transient basis including half-way houses or other types of facilities that service the needs of people.

31

Storage Warehouses and Distribution Facilities

310 Tanks holding fuel and oil products for retail distribution; either above ground or underground. Underground tanks of service stations would be real estate; however, above ground tanks that rest on concrete saddles or steel frames that can be separated without damage are personal property.

311 Bottled Gas and Propane Gas Tanks

312 Grain and Feed Elevators

313 Lumber Yards

314 Trucking Terminals



- 315 Piers, wharves, docks, and related facilities that are used for storage and transit of goods.
- 316 Other storage, warehouse, and distribution facilities. (See Industrial-Code 401)
- 317 Farm Buildings (Barns, Silo, Utility Shed, etc.)
- 318 Commercial greenhouses

32

Retail Trade

- 321 Facilities providing building materials, hardware and farm equipment, heating, hardware, plumbing, lumber supplies and equipment.
- 322 Discount Stores, Junior Department Stores, Department Stores.
- 323 Shopping Centers/Malls
- 324 Supermarkets (in excess of 10,000 sq. ft.)
- 325 Small Retail and Services stores (under 10,000 sq. ft.)
- 326 Eating and Drinking Establishments - restaurants, diners, fast food establishments, bars, nightclubs.

33

Retail Trade - Automotive, marine craft and others. Engines propelled vehicles, sales and service.

- 330 Automotive vehicles - sales and services.
- 331 Automotive Supplies Sales and Service.
- 332 Auto Repair Facilities
- 333 Fuel Service Areas - provide only fuel products.
- 334 Gasoline Service Stations - Providing engine repair or maintenance services as well as fuel products.
- 335 Car Wash Facilities

- 336      Parking Garages
- 337      Parking Lots - a commercial open parking  
lot for motor vehicles.
- 338      Other Motor Vehicles Sales and Services

34      Office Building

- 340      General Office Buildings
- 341      Bank Buildings
- 342      Medical Office Buildings

35      Public Service Properties (See Code 9 for Exempt  
Public Service Properties)

- 350      Property Used for Postal Services
- 351      Educational Properties
- 352      Day Care Centers
- 353      Fraternal Organizations
- 354 ,      Bus Transportation Facilities and Related  
Properties
- 355      Funeral Homes
- 356      Miscellaneous Public Services -  
Professional membership organizations,  
business associations, etc.

36      Cultural and Entertainment Properties

- 360      Museums
- 361      Art Galleries
- 362      Motion Picture Theaters
- 363      Drive-In Movies
- 364      Legitimate Theaters
- 365      Stadiums

- 366      Arenas and Field Houses
- 367      Race Tracks
- 368      Fairgrounds and Amusement Parks
- 369      Other cultural and Entertainment Properties

37

Indoor Recreational Facilities

- 370      Bowling
- 371      Ice Skating
- 372      Roller Skating
- 373      Swimming Pools
- 374      Health Spas
- 375      Tennis and/or Racquetball Clubs
- 376      Gymnasiums and Athletic Clubs
- 377      Archery, Billiards and other indoor recreational facilities.

38

Outdoor Recreational Properties (excluding those classified under General Laws 61B)

- 380      Golf Courses
- 381      Tennis Courts
- 382      Riding Stables
- 383      Beaches or Swimming Pools
- 384      Marinas - Include marine terminals and associated areas that are primarily for recreational marine craft.
- 385      Fish & Game Clubs
- 386      Camping Facilities - accommodations for tents, campers or travel trailers.
- 387      Summer Camps (Children's Camps)

- 388 Other Outdoor Recreational Properties such as driving ranges, miniature golf, baseball batting ranges.
- 389 Structures situated on land classified under Chapter 61B Recreational Land.

39

Vacant Land - Accessory to Commercial parcel or not specifically includable in another class.

- 390 Developable Land
- 391 Potentially Developable Land
- 392 Undevelopable Land
- 393 Agricultural-Horticultural Land not included in Chapter 61A.

INDUSTRIAL

CODE 4

All real property used or held for manufacturing, milling, converting, producing, processing, or fabricating materials unservicable in their natural state to create commercial products or materials; the mechanical, chemical or electronic transformation of property into new products and any use that is identical to or an integral part of such use, whether for profit or for non-profit purposes; and property used or held for uses of the storage, transmitting and generating of utilities regulated by the Department of Public Utilities. Such property may be exempt from taxation under other provisions of the law.

40

Manufacturing and Processing

- 400 Buildings used for manufacturing operations
- 401 Warehouses used to store manufactured products
- 402 Office Building - used as part of manufacturing operation.
- 403 Land used as an integral part of a manufacturing operation.
- 404 Research and Development Facilities

- 41        Mining and Quarrying
  - 410        Sand and Gravel
  - 411        Gypsum
  - 412        Rock
  - 413        Other
- 42        Public Utility Properties
  - 420        Tanks
  - 421        Tanks, LNG
  - 422        Electric Generation Plants
  - 423        Electric Transmission Right-of-Way
  - 424        Electricity regulating substations
  - 425        Gas Production plants
  - 426        Gas Pipeline Right-of-Way
  - 427        Natural or Manufactured Gas Storage
  - 428        Gas Pressure Control Stations
- 43        Public Utility Properties - Communication
  - 430        Telephone Exchange Stations
  - 431        Telephone Relay Towers
  - 432        Cable TV. Transmitting Facilities
  - 433        Radio-Television Transmission Facilities
- 44        Vacant Land - Accessory to Industrial Property
  - 440        Developable Land
  - 441        Potentially Developable Land
  - 442        Undevelopable Land



PERSONAL PROPERTY

CODE 5

All Personal Property situated within the Commonwealth all Personal Property of the inhabitants of the Commonwealth wherever situated, unless expressly exempt, shall be subject to taxation.

- 501        Individuals, partnerships, associations and trust.

All personal property is taxable and shall include stock in trade, machinery used in the conduct of the business, personal property used in connection with any cleaning or laundry processes, machinery used in the refrigeration of goods.

Machinery used in the air conditioning of premises. All furnishings and fixtures, administrative machinery and owner non-domicile furnishing.

- 502        Domestic Business Corporations or a Foreign Corporation as defined in Section 30 of Chapter 63.

Taxable personal property shall only include underground conduits, wires and pipes wherever located; poles and wires on private ways; machinery used in the conduct of the business except machinery directly used in connection with dry cleaning or laundering processes. (Does not include stock in trade or any personal property directly used in the refrigeration of goods or in the air conditioning of premises or in any purchasing, selling, accounting or administrative function.)

- 503        Domestic and foreign classified manufacturing corporations as defined respectively in Chapter 63, Section 38C and Section 42B.

Taxable personal property shall include underground conduits, wires and pipes wherever located. Poles and wires on private ways. Chapter 59, Section 18, clause 5.

504      Public Utilities

Taxable personal property shall include underground conduits, wires and pipes wherever located; poles and wires on private ways. Machinery used in manufacture. Chapter 59, Section 18, clause 5.

505      The valuation of machinery, poles, wires and underground conduits, wires and pipes, of all telephone and telegraph companies as determined by the Commissioner of the Department of Revenue. Chapter 59, Section 39. Companies such as New England Telephone and Telegraph; Western Union ATS Inc. Elizabeth Island Telephone Company; Granby Telephone Company; Richmond Telephone Company, MCI Communications Corporation; US Sprint Communications Company Limited Partnership; Williams Telecommunications Group; Taconic Telephone Corporation; American Telephone and Telegraph Company; AT&T Communications of New England, Inc. are subject to Commissioner's valuation.

506      The valuation of pipelines of 25 miles or more in length used for transmitting natural gas or petroleum is determined by the Commissioner of the Department of Revenue. Chapter 59, Section 38A.

Companies such as Tenneco Gas Company; Algonquin Gas; Mobil Oil; Shell Oil are subject to Commissioner's valuation.

FOREST PROPERTY

CODE 6      All land that has been designated under Chapter 61.

601      All land designated under Chapter 61, as amended by Chapter 768 of the Acts of 1981. (Ten year management plans).

AGRICULTURAL/HORTICULTURAL

CODE 7            All land that has been designated under Chapter 61A. Land devoted to this use must be in excess of 5 acres and meet other requirements of the law.

71            Productive Land

- 710            Cranberry Bog
- 711            Tobacco, Sod
- 712            Truck Crops - Vegetables
- 713            Field Crops - Hay, Wheat
- 714            Orchards - pears, apples
- 715            Grape Vineyards
- 716            Tillable Forage Cropland
- 717            Productive Woodland - Christmas Trees, Woodlots
- 718            Pasture
- 719            Nurseries

72            Non-Productive Land

- 720            Necessary Related Land - farm roads, ponds, land under farm buildings
- 722            Wetland, scrub, rockland

RECREATIONAL LAND

CODE 8

All property that has been designated under Chapter 61B. If an area has more than one use following the codes below, use the code which represents the primary use of the land.

- 801 Hiking - Trails or paths used for hiking.
- 802 Camping - Areas with designated camp sites for use on an overnight basis.
- 803 Nature Study - Areas specifically designated for nature study or observation.
- 804 Boating - Areas designated for recreational boating and supporting land facilities.
- 805 Golfing - Areas of land arranged for golf course.
- 806 Horseback Riding - Trails or areas designated for horseback riding.
- 807 Hunting - Areas designated for the hunting of wildlife.
- 808 Fishing - Areas designated for water fishing.
- 809 Alpine Skiing - Areas designated for alpine or "downhill" skiing.
- 810 Nordic Skiing - Areas designated for nordic or "cross-country" skiing.
- 811 Swimming - Areas designated for swimming.
- 812 Picnicking - Areas designated for picnicking.
- 813 Public Non-Commercial Flying - Areas designated for gliding or hang gliding.
- 814 Target Shooting - Areas designated for target shooting such as archery, skeet, or approved fire-arms.

EXEMPT PROPERTY

CODE 9            All property which is totally exempt from taxation  
                  under various provisions of the law and owned by:

90            Public Service Properties

- 900            United States Government
- 901            Commonwealth of Massachusetts
- 902            Counties
- 903            Municipalities
- 904            Colleges, Schools (Private)
- 905            Charitable Organizations (Private  
                  hospitals, etc.)
- 906            Churches, Synagogues and Temples
- 907            121A Corporations
- 908            Housing Authority



COLUMN A	-	Date of Sale
COLUMN B	-	Parcel Identification Number(s)
COLUMN C	-	Grantor and Grantee Last Names - Address of Property Sold
COLUMN D	-	Usage Class Code (as of assessment date)
COLUMN E	-	Non-Arms Length Code (if applicable)
COLUMN F	-	Sale Price
COLUMN G	-	Assessed Value (as of January 1st of the year of the sale)
COLUMN H	-	Proposed Value (certification year only)

[illegible]



## NON-ARMS LENGTH CODES

An assessment/sales ratio study should use only those sales that are "Arms Length" so that the statistical analysis will produce valid results. An "Arms- Length" sale is a sale between a willing buyer and a willing seller with no unusual circumstances involved in the sale. Listed below are the codes for sales that are considered non-arms length.

- A. Sale between members of the same family.
- B. An intra-corporation sale, e.g., between a corporation and its stockholder, subsidiary, affiliate or another corporation whose stock is in the same ownership.
- C. Sale of commercial or industrial real property which includes machinery, equipment, inventories, or "good will".
- D. Sale of property substantially changed after the assessment date but before the sale, e.g., sale of property on which a building, has been added after the assessment date sale, or sale of property which was demolished or partially destroyed subject to fire, flood, demolition or remodeling after the assessment date.
- E. Sale to or from the federal, state or local government.
- F. Transfer of convenience, e.g., correcting defects in a title, a transfer by a husband either through a third party or himself and his wife to create a tenancy by the entirety, etc.
- G. Sale of only a portion of the assessed unit, e.g., a parcel sold from a larger tract where the assessment is for the larger tract, or a portion is in another municipality.
- H. Sale resulting from a court order; for example, a divorce settlement.
- I. Sale in proceedings of bankruptcy.
- J. Sale of an undivided interest.
- K. Sale to or from an educational, charitable, or religious organization.
- L. Repossession or sale of a foreclosed property.
- M. Sale of property, the value of which has been materially influenced by zoning changes not reflected in current assessments.
- N. Other; when a non-arms length sale does not fall into any other category, this code is used, accompanied by a written explanation.

These additional codes are only used when reporting sales for certification review analysis. These sales are compared to the proposed values to determine whether they are non-arms length or not.

- O. Sale of property with a substantial physical change after the sale.  
An example is a house which has been remodeled after the sale.
- P. Sale of property with a change in use after the sale.
- Q. Sale of property which includes both a trade of property and cash for the property conveyed.
- R. Sale of property which has been sold more than once in the same year. Only the last sale is used for analysis purposes.

PROPERTY SALES REPORT (LA-3)  
COMPUTER SPREADSHEET SPECIFICATIONS

Data Worksheet Layout

Columns:

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29
Jur *	Date *	Map *	Sectn *	Lot *	Grantor *	Grantee *	Street *	Property *	Usage *	Non *	Sale *	Assessed *	Proposed *	Ratio														
Code	of					Number	Address	Class	Arms	Price	Value	Value	Value															
Sale																												

The worksheet consists of 15 columns of descriptive data for the sales information. Each of these columns is separated by one blank space.

Character Length (Column Width) of Columns

Column 1:	Jurisdiction Code	3
Column 3:	Date of sale	6
Column 5:	Map	5
Column 7:	Section	5
Column 9:	Lot	5
Column 11:	Grantor	15
Column 13:	Grantee	15
Column 15:	Street Number	4
Column 17:	Property Address	21
Column 19:	Usage Class Code	3
Column 21:	Non Arms Length Code	1
Column 23:	Sale Price	9
Column 25:	Assessed Value	9
Column 27:	Proposed Value	9
Column 29:	Ratio	4







